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U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA

Dear Judge Blumenstiel:

I couldn't improve on the attached letter, so I am sending it as another investor signature who lost a HUGE amount of money due to the treachery of Ken Casey and Lewis Wattach.)

Thank you for your attention to this.

Sincerely,
William L. Hughes, Jr.

David W Baddley
Bankruptcy Counsel
U.S. Securities & Exchange Commission

February 26, 2022

RE: Case #20-30604 (HLB) (Administered jointly with case #20-30579)

Dear Mr. Baddley,

It has come to my attention that you have not heard much from the PFI investors/victims in regard to the overwhelming amount of fees being charged by an army of professionals in our bankruptcy case.

This letter is a small attempt to rectify that. I am absolutely floored by the amounts charged by most of the professionals and the overall cost of getting this case through to its conclusion. And as a victim of this fraud, I feel it is unconscionable that the professionals should be getting such an outsized portion of our money, the return of which is the reason we undertook this process to begin with.

It's stunning. And I think we have been painfully stunned so many times that many of us lost our ability to respond coherently to the stimuli. In addition there has been no obvious means through which to channel our objections or outrage. We were told we had to make our objections known on the record and the ways and means to do that has been beyond most of our cohort. Most of that reaction and commentary, and there has been plenty, was expressed on our investor Facebook page and we didn't know that there were ears like yours, waiting to hear from us. Now that we know that, you are likely to hear from a number of us.

At the beginning of our labyrinthine journey through the bankruptcy process, we were led to believe that there would be people looking out for us to make sure we weren't going to be taken advantage of and overcharged. This included the SEC, the bankruptcy judge, our independent director, coordinating counsel and the volunteers on the official and ad hoc committees. I may be wrong but it seems entirely possible that the volunteers, although dedicated and sincere, may not have had sufficient experience in this unfamiliar realm with which to gauge what levels of compensation in cases like ours would be fair to the victims as well as to the professionals. They also may not have foreseen the multiplication of tasks and participants that would all have their hand in the pot. I certainly never did and continue to wonder how there could legitimately be so very many actors that we, as regular investors, had no hand in hiring. And, notably, the more or less complete lack of information about the continued involvement and interest of the SEC has played a role here. I don't feel our interests have been protected. Yet.

I am aware that some of the lawyers did offer discounted rates, and that is noted and appreciated. There is no question that the professionals have a right to fair compensation. However, when one looks at the astonishingly large number of professionals involved, what stands out is the ones charging between \$500 and

\$1600 an hour. It is no wonder that over the course of the nearly two years of this process, that we are looking at so many millions in fees, including, as insult upon injury, fees charged for preparing the presentation of fees to the court. Even the judge in the criminal case against Lewis Wallach expressed shock at the outsized amounts of the bankruptcy costs.

At this moment, we are finally discovering the true measure of our losses, juxtaposed with the windfall the professionals are requesting for themselves. This results in profound discouragement and dismay on top of multiple shocks, traumas and betrayals of trust for those, like myself, who face loss of a crucial amount of retirement funds. My original investment represents the lifelong efforts of both myself and that of my parents. The amount I have received back is of course far better than nothing, but I find myself at a loss at this stage of my life, as to how to stretch those remaining dollars into a dignified and healthy old age. It just doesn't add up. It is too late to start over and the current economic realities are not helpful or reassuring. Getting more of our money back is not a matter of "it would be nice". It is necessary. I am currently living off of and depleting savings, since before this, I was living (frugally) off the interest from my PFI investments.

The real property that did exist in this case, which represented our very best chance for recovery, was sold at a shockingly low price during a red-hot market. This created one of our biggest shocks. There are questions that remain about how that came to be and it seems clear now that the commercial properties should have been marketed to buyers that specialize in commercial property and the same done with the residential properties, rather than selling them all bundled together. That approach limited interested parties to one lonely buyer and put us in the position of "take it or leave it" instead of having the robust bidding process at auction that we rightly anticipated. I can't help but feel that there is room for a huge dose of fee-based humility in those responsible for such a dismal outcome.

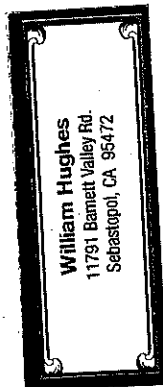
The banks of course have happily collected their 100% with no compunction, and we cannot count on any third party recoveries, which leaves us with one last recourse: an adjustment of fees requested, at least by the highest-charging professionals, in order to redirect a substantial portion of OUR money back to us.

This seems to be the moment when you may be able to play a role to help us bring this, (in some cases) extravagant bellying up to the trough back into the realms of fairness, and recognition of who this work was being done on behalf of and why.

I ask you to act on our behalf to protect the interests of the victims of this heinous fraud and apply far more restrained rates of compensation for the professionals, so that a larger portion can be returned to those who need and deserve it. With all due respect, I did not work all my life so that they could have such a huge windfall.

Sincerely and with gratitude for your interest,

Nasús Aransu
nasuski@yahoo.com



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U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA

The Honorable Hannah L. Blumenstiel
US Bankruptcy Court
Northern District of California
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Mail Box 36099
San Francisco, CA 94111